

104TH CONGRESS  
1ST SESSION

# H. R. 1594

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## AN ACT

To place restrictions on the promotion by the Department of Labor and other Federal agencies and instrumentalities of economically targeted investments in connection with employee benefit plans.

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## AN ACT

To place restrictions on the promotion by the Department of Labor and other Federal agencies and instrumentalities of economically targeted investments in connection with employee benefit plans.

1       *Be it enacted by the Senate and House of Representa-*  
2   *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SENSE OF THE CONGRESS.**

2 It is the sense of the Congress that it is inappropriate  
3 for the Department of Labor, as the principal enforcer of  
4 fiduciary standards in connection with employee pension  
5 benefit plans and employee welfare benefit plans (as de-  
6 fined in paragraphs (1) and (2) of section 3 of the Em-  
7 ployee Retirement Income Security Act of 1974 (29  
8 U.S.C. 1002(1), (2))), to take any action to promote or  
9 otherwise encourage economically targeted investments.

10 **SEC. 2. PROHIBITIONS ON DEPARTMENT OF LABOR RE-**  
11 **GARDING ECONOMICALLY TARGETED IN-**  
12 **VESTMENTS.**

13 (a) IN GENERAL.—Interpretive Bulletin 94–1, issued  
14 by the Secretary of Labor on June 23, 1994 (59 Fed. Reg.  
15 32606; 29 C.F.R. 2509.94–1), is null and void and shall  
16 have no force or effect. The provisions of the Employee  
17 Retirement Income Security Act of 1974 (29 U.S.C. 1001  
18 et seq.) shall be interpreted and enforced without regard  
19 to such Interpretive Bulletin.

20 (b) RESTRICTIONS ON DEPARTMENT OF LABOR REG-  
21 ULATIONS.—The Secretary of Labor may not issue any  
22 rule, regulation, or interpretive bulletin which promotes or  
23 otherwise encourages economically targeted investments as  
24 a specified class of investments.

25 (c) RESTRICTIONS ON ACTIVITIES OF THE DEPART-  
26 MENT OF LABOR.—No officer or employee of the Depart-

1 ment of Labor may travel, lecture, or otherwise expend  
 2 resources available to such Department for the purpose  
 3 of promoting, directly or indirectly, economically targeted  
 4 investments.

5 (d) ECONOMICALLY TARGETED INVESTMENT DE-  
 6 FINED.—For purposes of this section, the term “economi-  
 7 cally targeted investment” has the meaning given such  
 8 term in Interpretive Bulletin 94–1, as issued by the Sec-  
 9 retary of Labor on June 23, 1994 (59 Fed. Reg. 32606;  
 10 29 C.F.R. 2509.94–1).

11 **SEC. 3. PROHIBITION ON FEDERAL AGENCIES AGAINST ES-**  
 12 **TABLISHING OR MAINTAINING ANY CLEAR-**  
 13 **INGHOUSE OR OTHER DATABASE RELATING**  
 14 **TO ECONOMICALLY TARGETED INVEST-**  
 15 **MENTS.**

16 (a) IN GENERAL.—Part 5 of subtitle B of title I of  
 17 the Employee Retirement Income Security Act of 1974  
 18 (29 U.S.C. 1131 et seq.) is amended by adding at the end  
 19 the following new section:

20 “PROHIBITION ON FEDERAL AGENCIES AGAINST ESTAB-  
 21 LISHING OR MAINTAINING ANY CLEARINGHOUSE OR  
 22 OTHER DATABASE RELATING TO ECONOMICALLY  
 23 TARGETED INVESTMENTS

24 “SEC. 516. (a) IN GENERAL.—No agency or instru-  
 25 mentality of the Federal Government may establish or  
 26 maintain, or contract with (or otherwise provide assistance

1 to) any other party to establish or maintain, any clearing-  
2 house, database, or other listing—

3 “(1) for the purpose of making available to em-  
4 ployee benefit plans information on economically tar-  
5 geted investments,

6 “(2) for the purpose of encouraging, or provid-  
7 ing assistance to, employee benefit plans or any  
8 other party related to an employee benefit plan to  
9 undertake or evaluate economically targeted invest-  
10 ments, or

11 “(3) for the purpose of identifying economically  
12 targeted investments with respect to which such  
13 agency or instrumentality will withhold from under-  
14 taking enforcement actions relating to employee ben-  
15 efit plans under any otherwise applicable authority  
16 of such agency or instrumentality.

17 “(b) ECONOMICALLY TARGETED INVESTMENT DE-  
18 FINED.—For purposes of this section, the term ‘economi-  
19 cally targeted investment’ has the meaning given such  
20 term in Interpretive Bulletin 94–1, as issued by the Sec-  
21 retary on June 23, 1994 (59 Fed. Reg. 32606; 29 C.F.R.  
22 2509.94–1).”.

23 (b) CLERICAL AMENDMENT.—The table of contents  
24 in section 1 of such Act is amended by inserting at the

1 end of the items relating to part 5 of subtitle B of title  
2 I the following new item:

“Sec. 516. Prohibition on Federal agencies against establishing or maintaining  
any clearinghouse or other database relating to economically  
targeted investments.”.

3 **SEC. 4. TERMINATION OF CONTRACTS.**

4 The head of each agency and instrumentality of the  
5 Government of the United States shall immediately take  
6 such actions as are necessary and appropriate to terminate  
7 any contract or other arrangement entered into by such  
8 agency or instrumentality which is in violation of the re-  
9 quirements of the provisions of this Act or the amend-  
10 ments made thereby.

11 **SEC. 5. AUTHORITY OF DEPARTMENT OF LABOR.**

12 Nothing in this Act is intended to affect the ability  
13 of the Department of Labor to issue advisory opinions,  
14 information letters, technical releases, prohibited trans-  
15 actions, exemptions, or other pronouncements interpreting  
16 and applying ERISA’s fiduciary responsibility rules to  
17 particular factual situations, or exempting specific trans-  
18 actions from the prohibited transaction provisions of the  
19 Employee Retirement Income Security Act of 1974 (pur-  
20 suant to 29 U.S.C. 1106, 1108).

1 **SEC. 6. EFFECTIVE DATE.**

2       The preceding provisions of this Act (and the amend-  
3 ments made thereby) shall take effect on the date of the  
4 enactment of this Act.

      Passed the House of Representatives September 12,  
1995.

Attest:

*Clerk.*